



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1822-MC-FFS

DATE: September 5, 2017

TO: Iowa Medicaid Providers Billing on CMS 1500 Claim Forms (Excluding Ambulatory Surgical Centers, Federally Qualified Health Centers, Indian Health Service Providers, and Rural Health Clinics)

APPLIES TO: Managed Care (MC) and Fee-for-Service (FFS)

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Multiple Procedure Payment Reduction (MPPR) for Diagnostic Imaging Procedures – Increased Payment Reduction

EFFECTIVE: October 1, 2017

To be consistent with Medicare and the Iowa Medicaid Managed Care Organizations (MCOs), the Iowa Medicaid FFS program will increase the reduction percentage for multiple diagnostic imaging procedures payment reduction from the current 25 percent to 50 percent.

The IME will apply an increased percentage reduction for multiple procedure payment reduction on the technical component (TC) of certain diagnostic imaging procedures when performed by the same group physician and/or other health care professional at the same session. The reduction applies to TC only services, as well as the TC portion of the global services for the procedure. When two or more diagnostic procedures or a single diagnostic procedure with multiple units have a Medicare Physician Fee Schedule (MPFS) Multiple Surgery indicator of “4” and have the same Medicare Fee Schedule Diagnostic Imaging Family Indicator, the following payment reduction methodology will apply:

The procedure with the highest total Relative Value Units (RVUs) will be reimbursed at 100 percent of the IME Fee Schedule. The TC portion of all subsequent procedures within the same diagnostic family will be reduced by 50 percent. The reduction will not affect payment for professional component services and does not apply to procedures performed in separate sessions. A session is defined as one encounter with the same physician or other health care professional where a patient could receive one or more radiologic studies. A separate session includes the patient having a separate encounter on the same date of service for a medically necessary reason. Documentation must indicate the procedures were performed in separate sessions. If documentation is not attached to the claim, it will be assumed that all procedures were performed during the same session.

The IME appreciates your continued partnership as we work to improve the claim processing service quality and accuracy. If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at imeproviderservices@dhs.state.ia.us.